

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 93-509-C - ORDER NO. 93-886 ✓
SEPTEMBER 22, 1993

IN RE: Application of Chester Telephone)	ORDER APPROVING
Company for Approval of Revisions to)	STIPULATION
its General Subscriber Services Tariff)	AND ECONOMIC
to Introduce an Economic Development)	DEVELOPMENT
Incentive Waiver.)	TARIFF

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of a tariff filing on June 30, 1993, on behalf of Chester Telephone Company (Chester or the Company) requesting approval of revisions to its General Subscriber Services Tariff. According to the filing, the purpose of the request is to introduce provisions within the General Regulations of the tariff to provide for Economic Development Incentive Waivers and Discounts. Under the proposed revisions, the Company will offer waivers and discounts on certain telecommunications services for qualifying businesses located within the Company's certificated territory in Chester County or Fairfield County. According to the filing, this offering is made to complement and supplement the public policy of South Carolina as set forth in S.C. Code Ann. §12-7-1220 (Law. Co-op. 1976), as amended, to stimulate growth and encourage economic development in this State.

This matter was duly noticed to the public, and a Petition to Intervene was filed on behalf of Steven W. Hamm, Consumer Advocate for the State of South Carolina (the Consumer Advocate).

Thereafter, the parties filed a Stipulation with the Commission (Attached as Appendix A) wherein the parties agreed to request that the Commission approve the proposed tariff being offered to qualifying businesses in South Carolina. The parties also requested that the Commission hold in abeyance any determination of ratemaking treatment until such time as a rate proceeding or other appropriate review is held, at which time, the Commission will examine the impact of the tariff on the Company's revenues, expenses, and investment, and will make a determination as to the appropriate ratemaking treatment to be afforded.

The Commission has considered the record in this matter, and in light thereof, the Commission makes the following findings of fact and conclusions of law:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. That the proposed tariff was developed to complement legislation enacted by the South Carolina General Assembly, specifically S.C. Code Ann. §12-7-1220 (Law. Co-op. 1976), as amended, which provides tax credits to businesses that create new jobs in certain counties.

2. Pursuant to the tariff of Chester, the qualifying businesses will receive the following: 100% waiver of normal service deposits for the telephone service, credit of initial service connection and installation charges (excluding inside

wiring) after services have been in place for twelve (12) months, and discounts ranging from 30% to 50% of monthly recurring charges on all Chester tariffed items for twelve (12) months, other than Exempted Special Arrangements - Section A5, local usage charges, and long distance services, which the business enterprise can demonstrate to be related directly to the new or expanded employment. These discounts and waivers will become effective after service has been installed for twelve (12) months. The incentives will be effective for twelve (12) months.

3. In order to receive such waiver of charges, the business enterprise is required to certify that it has met the requirements of Chester's tariff offering, as well as the requirements of S.C. Code Ann. §12-7-1220 (Law.Co-op. 1976), as amended.

4. Consistent with the intent of S.C. Code Ann. §12-7-1220 (Law. Co-op. 1976), as amended, the tariff provides that qualifying businesses in "less developed counties" will be eligible for a 50% discount, and qualifying businesses in "moderately developed counties" will be eligible for a 30% discount.

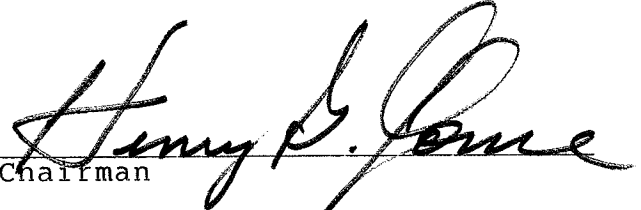
5. The Commission realizes that the Company is unable to quantify the amount of revenues affected by this proposal, and the Commission is concerned about the lack of information regarding the revenue impact on the Company's revenues which approval of this tariff will have. While the Commission has the authority to approve the Company's proposal, the Commission is hesitant to give carte blanche approval absent such information.

6. The parties to this action have entered into an agreement to request the Commission to approve the proposed tariff, but to hold in abeyance any determination of ratemaking treatment until such time as a rate proceeding or other appropriate review is held. The Commission hereby approves the "Stipulation and Agreement" of the parties, and also approves the proposed tariff being offered to qualified businesses in South Carolina. Additionally, the Commission will hold in abeyance any determination of ratemaking treatment until such time as a rate proceeding or other appropriate review is held. At that time, the Commission will examine the impact of the tariff on the Company's revenues, expenses, and investment, and will make its determination as to the appropriate ratemaking treatment to be afforded.

7. The Commission also finds that in order to give the Commission data upon which to make such a determination in a ratemaking proceeding, the Company shall keep records of all discounts offered, including the amount of foregone revenue as a result of the discounts.

8. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Deputy Executive Director

(SEAL)

STATE OF SOUTH CAROLINA
BEFORE THE PUBLIC SERVICE COMMISSION
DOCKET NO. 93-509-C

IN THE MATTER OF:

Chester Telephone Company
Revisions to its General
Subscriber Services Tariff

STIPULATION AND AGREEMENT

WHEREAS, in Docket No. 93-509-C, Chester Telephone Company has requested Public Service Commission approval of tariff provisions which permit the company to offer certain economic development discounts to qualifying business customers;

WHEREAS, Steven W. Hamm, Consumer Advocate for the State of South Carolina has intervened in this proceeding to protect the interests of the company's residential ratepayers;

NOW THEREFORE, the parties to this proceeding hereby agree, and request the Commission to adopt the following:

1. Consistent with the Commission's Order No. 92-671 in Docket No. 92-293-C regarding Southern Bell's request for approval of economic development discounts, the Commission will approve the proposed tariff being offered to qualifying businesses in South Carolina, but will hold in abeyance any determination of ratemaking treatment until such time as a rate proceeding or other appropriate review is held. At that time, the Commission will examine the impact of the tariff on the company's revenues, expenses, and investment and make its determination as to the appropriate ratemaking treatment to be afforded.

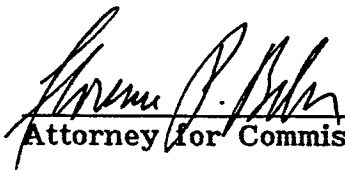
2. In order to give the Commission data upon which to make such a determination, the company will keep records of all discounts offered, including the amount of foregone revenue as a result of the discounts.



Attorney for Chester Telephone Company



Attorney for Consumer Advocate



Attorney for Commission Staff

September 16, 1993